

EYES ONLY

3 August 1953

MEMORANDUM FOR THE RECORD

SUBJECT: Personnel Ceiling and the Jackson Committee's Report as they Affect CIA's Programs.

1. On 3 August 1953, in the absence of Mr. Macy and Mr. Perry, Bureau of the Budget, I discussed the above subjects with Mr. Lyman Hamilton. Mr. Hamilton stated that Mr. Roland Hughes, Deputy Director, Bureau of the Budget, had discussed "personnel ceilings" with Mr. John Taber, Chairman, House Appropriations Committee, on Saturday, 1 August 1953, and had advised Mr. Taber that the Bureau of the Budget preferred not to get into the business of fixing a personnel ceiling on the Central Intelligence Agency, but, rather, felt that it should concern itself with the over-all dollar aspects of the CIA budget. They agreed that CIA should have some relief but were insistent that the 1955 budget estimate not be increased by reason of any increase in personnel ceiling which might be allowed at this time.

2. I told Mr. Hamilton that we had to decide upon some figure now, that we could not accept generalization, and that we should examine this problem in connection with our 1955 estimate, etc. After some discussion, it was agreed that the Bureau of the Budget would accept whatever increase in personnel ceiling we thought to be absolutely essential, with the understanding that such an increase would not increase the over-all 1955 budget estimate.

3. I told Mr. Hamilton that I was somewhat concerned about his memorandum dated 31 July 1953 relating to the discussion which he, Messrs. Macy and Perry, and I had concerning the 1954 and 1955 budgets, inasmuch as there appeared to be an implication that because of the Jackson Committee's Report CIA programs should be cut back. I indicated that in my own examination of the Report I had not detected that implication. Mr. Hamilton said that all the Bureau wanted to watch was that we took the Jackson Committee's Report into consideration and that our budget reflected the conclusions which we understood had been reached by the Report.

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cc: Comptroller

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L. K. WHITE  
Acting Deputy Director  
(Administration)